



1220 L Street, Northwest Washington, D.C. 20005-4070 202-682-8140 Ronald L. Jones Vice President

April 14, 1997



Mr. John V. Mirabella Chief, Engineering and Standards Branch Minerals Management Service U.S. Department of the Interior Mail Stop 4700 381 Elden Street Herndon, Virginia 20170-4817

Dear Mr. Mirabella:

The American Petroleum Institute (API) is pleased to submit comments in response to the Minerals Management Service (MMS) proposed rule regarding Geological and Geophysical (G&G) requirements for oil and natural gas companies, independent service companies and research institutions conducting operations on the Outer Continental Shelf (OCS) 62 FR 6149 (February 11, 1997).

API's members consist of a broad cross section of petroleum and allied industries in exploration, production, transportation, refining and marketing of petroleum and its products. API's membership includes more than 300 companies. Many of these companies are involved directly and indirectly in offshore exploration, development and production activities and, therefore, very interested in changes proposed by MMS regarding G&G activities.

API is concerned that MMS's proposed revisions may impact the competitive interests of our members negatively and increase their costs of doing business. API concurs with the comments filed by the International Association of Geophysical Contractors (IAGC) in response to this proposal. IAGC points out that two years ago, industry and MMS discussed MMS's proposed changes and that this dialogue produced the "Trial Procedures for Access to Certain Geophysical Data in the Gulf of Mexico." API participated in the process leading to the trial procedures, and we believe that all affected parties would benefit from similar discussions on the changes contained in this proposed rulemaking. Furthermore, we believe that these discussions should take place before any final decisions are made by MMS.

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API would like to comment further on the MMS claim that the revised requirements are simple and routine and can be carried out at a negligible cost. The proposed notification requirements in Section 251.11(a)(1) are unduly burdensome. Under the existing regulations, MMS is notified after the initial analysis and interpretation. Under the existing regulations, MMS also can request additional information at any time. The notice of proposed rulemaking does not indicate that the current regulations have been deficient or that MMS has not been able to access data it needed.

If the existing process is not working, the regulated community should know that. Absent additional information explaining the changes MMS is proposing, it appears that instead of making the process more efficient, MMS is creating a new paperwork burden by requiring respondents to immediately and constantly notify MMS each time data is acquired or undergoes analysis, processing and interpretation.

API appreciates this opportunity to comment on these proposals. We encourage MMS to meet with industry, as it has done in the past on matters regarding G&G data, before any changes are made to these regulations. If you have any questions regarding these comments or would like to schedule a meeting, please feel free to call Genevieve Laffly Murphy of my staff at (202) 682-8170.

Very truly yours,

Ronald I Jones

c: Office of Information and Regulatory Affairs
Desk Officer for the Department of the Interior
(OMB Control # 1010-0048)
Washington, D.C. 10503